



FINANCIAL STATEMENTS 2008

BAVIAANS MUNICIPALITY

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REPORT OF THE CHIEF FINANCIAL OFFICER ON THE FINANCIAL STATEMENTS FOR THE YEAR 2007/2008

It is my privilege to present my report on the financial results together with the financial statements for the year ended 30 June 2008.

The primary objective of the Budget and Treasury Office is to assist Heads of Departments to control their budgets and to ensure effective utilisation of financial resources.

1. OPERATING BUDGET

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results are as follows: (Please note the Budgeted figures represent the Adjustment Budget).

INCOME	Actual 2008 R	Actual 2007 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
Operating income	22 555 464	13 182 562	41.55	16 401 734	-37.52
Appropriations	-				
Closing Deficit/(Surplus)	-1 425 581	2 155 477	251.20		
Total	21 129 883	15 338 039	27.41	16 401 734	

EXPENDITURE					
Opening Deficit	2 155 475	2 843 310	-31.91		
Operating expenditure	16 574 564	12 398 450	25.20	16 311 828	-1.61
Appropriations	2 399 844	96 279			
Total	21 129 883	15 338 039	27.41	16 311 828	

The net operating surplus for the year amounted to R 5 980 900. The surplus was generated after a contribution to the provision for bad debts of R 320 000. A grant of R 5 000 000 was received from Provincial Government to pay creditors and finance funds + reserves. The accumulated deficit was converted to a surplus of R 1 425 581. (2006/2007 - R 2 155 475 deficit) and the total provision for bad debts stands at R 2 492 799.

The main reasons for the improved results can be ascribed to three sections where the income generated significantly exceeded the amounts budgeted.

Section	Actual Income Surplus R	Budgeted Surplus R	Additional Surplus R
Electricity	1 578 715	858 086	720 629
Water	649 335	-59 312	708 647
Rates	1 214 274	1 004 494	209 780
Contribution received from Provincial Government	5 000 000		5 000 000
Total	8 442 324	1 803 268	6 639 056

Furthermore, actual expenditure on personnel costs was R1 258 928 less than the amount budgeted. The actual expenditure on repairs and maintenance increased by 92.4% from R 858 380 (2006/2007) to R 1 651 642 (2007/2008).

1.1 RATES AND GENERAL SERVICES

DETAILS	Actual 2008 R	Actual 2007 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
Income	16 175 416	8 297 052	48.71	10 724 410	-50.83
Expenditure	12 422 566	8 206 311	33.94	10 767 842	-15.37
Surplus/(Deficit)	3 752 850	90 741		-43 432	

1.2 TRADING SERVICES

ELECTRICITY	Actual 2008 R	Actual 2007 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
Income	4 524 143	3 582 181	20.82	3 773 016	-19.91
Expenditure	2 945 428	3 069 858	-4.22	2 914 930	-1.05
Surplus/(Deficit)	1 578 715	512 323		858 086	

WATER	Actual 2008 R	Actual 2007 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
Income	1 855 905	1 303 330	29.77	1 104 707	-68.00
Expenditure	1 206 571	1 122 281	6.99	1 164 019	-3.66
Surplus/(Deficit)	649 334	181 049		-59 312	

2. CAPITAL EXPENDITURE AND FINANCING

The expenditure on fixed assets during the year amounted to R 13 480 497 (2006/2007 - R 15 842 950)
Hereunder is a summary of the capital expenditure for the year 2007/2008.

DETAILS	Actual 2008 R	Budget 2008 R	Actual 2007 R
Capital Expenditure			
<u>Land</u>			-
Buildings	22 000	500 000	367 513
Municipal Building		-	-
Community Halls		-	-
Upgrading Libraries	22 000	500 000	367 513
Infrastructure	13 261 008	15 092 950	18 572 289
Sewerage and Sanitation	2 408 285	4 157 000	4 591 536
Water	3 231 681	7 870 000	3 314 039
Electricity	2 650 949	3 065 950	1 012 511
Housing	4 970 093	-	9 572 913
Roads	-	-	81 290
Other fixed assets	197 489	250 000	161 816
Vehicles			-
Furniture and Equipment	197 489	250 000	-
Administration	-	-	161 816
Finance		-	
Water		-	
TOTAL	13 480 497	15 842 950	19 101 618

Resources utilised to finance the fixed assets were as follows:

Resources

DETAILS	Actual 2008 R	Budget 2008 R	Actual 2007 R
Grants and Subsidies	13 431 644	15 592 950	4 531 505
Bankfin Loans			376 585
Operating Income	48 854	250 000	51 639
TOTAL	13 480 498	15 842 950	4 959 729

A comprehensive analysis of capital expenditure per department classified by service is included in appendix C. Further details regarding external loans used to finance fixed assets is contained in appendix B.

3. EXTERNAL LOANS , INVESTMENTS AND CASH

External loans outstanding on 30 June 2008 amounted to R 216 965 (2007 - R 337 434) as set out in appendix B.

Investments and cash amount to R 33 003 988 (2007 - R 8 630 879)

4. EXPRESSION OF APPRECIATION

I am grateful to the Mayor, Councillors, Heads of Departments and staff of the Budget and Treasury office for the support they have given me and for controlling their budgets in such a way that resulted in the net surplus for the year.

I would also like to express my appreciation to the staff of the Auditor-General for their co-operation and assistance during the audit of the Council's financial statements.

Johann H Doyle
Chief Financial Officer
Baviaans Municipality
30 September 2008

1. INTRODUCTION

1.1 BAVIAANS MUNICIPALITY PROFILE

The Baviaans Municipality covers an area of 7727.01 square kilometers with two urban nodes, namely Willowmore and Steytlerville. Willowmore serves as the administrative hub of the area in which is situated the local municipal office and the district offices of national government departments and provincial government departments. The area is scarcely populated (0 – 100 people per sq km.).

The municipality is situated between 23 and 25 degrees longitude and 33 and 34 degrees southern latitude and is at 1000 to 1500 meters above sea-level.

The well known Baviaanskloof Nature Reserve is situated to the south. The Mega-Reserve covers 90% of the municipality's area of jurisdiction.

Agriculture, tourism and service industries form the basis of the area's economy.

The Baviaans Municipality is a category B municipality which together with eight other municipalities form the Cacadu District Municipality.

1.2 MUNICIPAL SERVICES

Baviaans Municipality provides the following services to the local community:

- Water
- Electricity Reticulation
- Sanitation / Sewerage
- Refuse Removal and Waste Management
- Housing Development
- Motor Vehicle Registrations (Agency)
- Motor Vehicle Licensing and permits (Agency)
- Clinics (Agency)
- Municipal Planning
- Libraries
- Tourism
- Airfield
- Storm water Management
- Trading Regulations
- Building regulations

1.3 MEMBERS OF THE MUNICIPAL COUNCIL

<u>Name</u>	<u>Political party</u>	<u>Office held</u>
E Loock	DA	Mayor
D Bezuidenhout	DA	Councillor
H Booyesen	DA	Councillor
P Daniels	ANC	Councillor
N Miggels	ANC	Councillor

1.4 GRADING OF MUNICIPALITY

Grade 1

1.5 EXTERNAL AUDITORS

Auditor-General
P.O. Box 210917
The Fig Tree
Port Elizabeth
6033

1.6 INTERNAL AUDITORS

PricewaterhouseCoopers Inc.
Ascot Office Park
1 Ascot Road
Greenacres, Port Elizabeth
6045

1.7 BANKERS

ABSA Bank
Knysna Street
Willowmore
6445

Standard Bank
Carel Cilliers Street
Steytlerville
6250

1.8 REGISTERED OFFICE

Baviaans Municipality
42 Wehmeyer Street
Willowmore
6445

1.9 MUNICIPAL MANAGER

Mr. J. Z. A. Vumazonke
Tel Nr. 044 – 923 1004

1.10 CHIEF FINANCIAL OFFICER

J.H. Doyle
Tel Nr. 044 – 923 1004

1.11 ACCOUNTABILITY AND CERTIFICATION OF FINANCIAL STATEMENTS

I am responsible for the preparation of the Annual Financial Statements in terms of Section 126 of the Municipal Finance Management Act, which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of councilors as disclosed in the notes to the financial statements, are within the upper limits of the framework envisaged in the Constitution, read with the Remuneration of Public Officer Bearers Act and the determinations in accordance with this Act.

J. Z. A. VUMAZONKE
MUNICIPAL MANAGER

Date

BAVIAANS MUNICIPALITY

FINANCIAL PERFORMANCE OVERVIEW

2007/2008 FINANCIAL YEAR

Operational Performance	2006/2007	2007/2008	Target/Benchmark
Actual operating expenditure to budget	80.3%	101.7%	100%
Actual operating income to budget	85.3%	107.6%	100%
Capital spending to budget	75.7%	85.0%	90%
Personnel costs to income	41.0%	41.4%	35%
Electricity distribution loss	25.9%	26.7%	8%
Water distribution loss	15.5%	15.7%	10%
Liquidity			
Debtors collection period	559 days	220 days	42 days
Outstanding debtors to revenue	116%	47.6%	12%

ACCOUNTING POLICIES

1. Statutory framework

In terms of section 62(1)(b) of the Local Government: Municipal Finance Management Act 2003 (Act No 56 of 2003) (MFMA) the Municipal Manager must take all reasonable steps to ensure that full and proper records of the financial affairs of the Municipality are kept in accordance with prescribed norms and standards.

2. Accounting standards

Section 122 of the MFMA requires the preparation of financial statements to comply with the prescripts of the Public Finance Management Act. In terms of the Government Gazette No. 30013 dated 29 June 2007 the municipality is exempted from implementing these requirements until the 2009/10 financial year subject to the financial statements for the financial years 2006/7 , 2007/8, and 2008/9 being prepared using the same basis of accounting applied in the 2005/6 financial year.

Pending the full implementation of the GRAP / GAMAP standards issued by the Accounting Standards Board these financial statements therefore reflect the standards laid down by the Institute of Municipal Finance Officers in its Report on Standardisation of Financial Statements of Local Authorities. (second edition – 1996)

3. Basis of accounting

The financial statements are prepared on the accrual basis using the historical cost convention. The accounting policies are consistent with those applied in the previous year, except when indicated otherwise.

Although many of these accounting policies appear for the first time there has been no change to the accounting practice during the period under review unless specifically identified.

4. Presentation currency

These statements are presented in South African Rand.

5. Going concern assumption

These annual financial statements are prepared on a going concern basis.

6. Recording of expenditure

Expenditures are recorded in the accounting records when –

- materials or services are ordered;
- an obligation to pay has occurred; and
- the impairment of an asset has occurred.

7. Funds and reserves

Various funds and reserves are maintained as follows:

7.1. Capital Development Fund

The existing fund is not subject to any Council policy

7.2 Revolving Fund

A minimum contribution equal to 20% more than the previous year's contribution is provided each year in terms of the previous Municipal Ordinance, No. 20 of 1974 section 74(1)(a) although this legislation is no longer applicable.

7.3 Dog Tax Fund

Administered in respect of the Dog Tax Ordinance and is made up of revenue collected for dog licences.

7.4 Housing Development Fund

This fund is inactive at present.

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

8 Reserves

8.1 Leave Reserve

The municipality's employees are entitled to accrue leave in terms of their conditions of service. The Leave Reserve balance must be maintained to reflect the actual liability for leave standing to the credit of all personnel at year-end. Contributions to the Leave Reserve are made annually according to the budget provision and the liability for leave outstanding.

9 Accounting for fixed assets (Property, Plant and Equipment)

Property, plant and equipment are stated at historical cost while they are in existence and fit for use, except in the case of bulk assets, which are written off at the end of their estimated life as determined by the Chief Financial Officer.

The fixed assets are reflected net of Loans Redeemed and other Capital Receipts. This is tantamount to accounting for depreciation. This is similar to writing down assets over their estimated useful life. However accounting for depreciation is not done in accordance with the GRAP/ GAMAP accounting standards and is to be introduced later.

Impairment losses are recognized as an expense in the year identified. Where an item of property plant or equipment has an estimated recoverable amount less than the carrying amount it will be written down and an expense charged to the Income Statement.

Gains or losses in disposal or retirement of assets are utilized or are applied to the Revolving Fund. Such gains or losses are determined as the difference between the sales proceeds and the carrying value. Such gains or losses are therefore not reflected in the Income Statement or Statement of Financial Performance.

Land and buildings are not revalued.

Apart from advances from various Council funds, assets may also be acquired through:

- Appropriations from operating income where the full cost of the assets forms an immediate and direct charge against operating income, and therefore it is unnecessary to make any further provision for depreciation.
- Grants of donations, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and other Capital Receipts" account.
- External loans which are repaid over the estimated lives of the assets acquired from such loans. Interest is charged to the service concerned at the ruling interest rate applicable at the time the advance is made.

10. Post Retirement Benefits

Baviaans Municipality provides retirement benefits for its employees. The contributions made to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds are actuarially valued triennially. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

Any liability in respect of cases of early retirement for reasons such as medical boarding has not been determined or quantified.

In addition the Municipality carries an obligation to pay 70% of the contributions to medical insurance after retirement of an employee. The financial liability has not been quantified and nor does a reserve exist for such liability. At present this is provided annually within the operational budget.

11. Investments in financial instruments

Council has an approved policy to administer investments. Financial instruments include listed government bonds, fixed deposits and short-term deposits with registered commercial banks. At present all investments are short-term deposits. Investments are stated at cost.

When investments have been impaired the carrying value is adjusted by the impairment, which is recognized as expenditure in the period identified.

On disposal of an investment any difference between net proceeds and the carrying amount will be charged or credited to the Income Statement or Statement of Financial Performance.

12. Investments in associates, municipal entities and joint ventures.

The municipality has no such interests at present and therefore has not established a policy in this regard.

13. Inventory

Consumable stores, raw materials, work-in-progress and finished goods shall be valued at the lower of cost and net realisable value. In general, the basis of determining cost shall be the first-in, first-out method.

Unsold properties shall be valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs, which shall also include a proportion of overhead costs, shall be accumulated for each separately identifiable development.

Redundant and slow-moving inventories shall be identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

14. Accounts receivable

Accounts receivable (debtors) shall be carried at anticipated realisable value. An estimate shall be made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts shall be written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date shall be classified as current.

Accounts receivable in respect of property rates and service fees and which are subject to repayment terms longer than 12 months are shown as current.

15. Trade creditors

Trade creditors shall be stated at their nominal value.

16. Revenue recognition

Service charges relating to electricity and water are based on metered consumption. Credit meters are read on a monthly basis and recorded consumption is recognised as revenue when invoiced. Provisional estimates of consumption are made when meter readings have not been obtained. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from exchange transactions

- Revenue from the sale of prepaid electricity and water recognised at the point of sale.
- Service charges relating to sewage and refuse removal services are recognised as revenue when invoiced.
- Interest and rentals are recognised on a monthly basis.
- Revenue arising from the sale of other services, including the issuing of licences and permits, shall be recognised as revenue when invoiced or when payment is received.
- Revenue from the recovery of unauthorized, irregular, fruitless and wasteful expenditure is based on legislative procedures including those set out in the Municipal Finance Management Act (Act 56 of 2003) and is recognized in

- Income for agency services shall be recognised on a monthly basis once the income collected on behalf of agents has been quantified, consistent with the agency agreement.
- Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.
- Revenue from the sale of goods is recognised when the risk is passed to the buyer.
- Revenue from public contributions is recognised when all the conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the Municipality has not met the condition, a liability is recognised

Revenue from non-exchange transactions:

- Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable.
- Penalty interest on unpaid property rates and other service charges are accrued monthly to accounts that reflect arrears.
- Fines i.e. spot fines and summonses are recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past collection experience.
- Donations are recognised on a cash receipt basis.
- Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.
- Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is recognised when the recovery thereof from the responsible person is virtually certain.

17. Conditional grants and receipts

Revenue received from conditional grants, donations and funding shall be recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the grant agreement. To the extent that the criteria, conditions or obligations have not been met a liability shall be recognised.

18. Provisions

Provisions shall be recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the

provision can be made. Provisions shall be reviewed at the reporting date and adjusted to reflect the current best estimate.

Non-current provisions shall be discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

19. Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts. Bank overdrafts shall be recorded based on the facility utilised. Finance charges on bank overdrafts shall be expensed as incurred.

20. Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003). Unauthorised expenditure shall be accounted for as an expense in the Income Statement (Statement of Financial Performance) and where recovered, it shall subsequently be accounted for as revenue in the Income Statement (Statement of Financial Performance).

21. Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act 56 of 2003), the Local Government: Municipal Systems Act 2000 (Act No.32 of 2000), the Remuneration of Public Office Bearers Act 1998 (Act No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy, but excludes unauthorised expenditure. Irregular expenditure shall be accounted for as expenditure in the Income Statement (Statement of Financial Performance) and where recovered, it shall subsequently be accounted for as revenue in the Income Statement (Statement of Financial Performance).

22. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure shall be accounted for as expenditure in the Income Statement (Statement of Financial Performance) and where recovered, it shall subsequently be accounted for as revenue in the Income Statement (Statement of Financial Performance).

23. Foreign currencies

Transactions in foreign currencies shall initially be recorded at the prevailing exchange rate on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies shall be retranslated at the rates prevailing at the reporting date. Exchange differences shall be included in the Statement of Financial Performance.

24. Prior year comparative information

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts shall be reclassified. The nature and reason for the reclassification shall be disclosed.

25. Establishment of accounts

- Except insofar as current legislation prescribes the format of accounts, the Municipality's accounting records are maintained in the form which the Chief Financial Officer deems to be the most suitable to enable her/him to manage the Municipality's finances effectively.
- The number of accounts shall be limited to the level necessary to ensure the efficient operation of the Municipality unless required by specific agreements. All requests to create new accounts shall be accompanied by proper documentation and approved by the Chief Financial Officer.
- Accounts shall be established in appropriate vote and item groups to reflect the nature of the revenues to be generated and/or the purpose of the expenditures to be incurred.
- All changes to account purpose codes and other account specific information shall be approved by the Chief Financial Officer. Every departmental head shall notify the Chief Financial Officer on a timely basis, of any organisational change, including the movement of staff, affecting reporting responsibility and any general ledger accounts to be deleted, including inactive accounts or special accounts for which the amount has been expended.

26. Reconciliation of accounts

The Chief Financial Officer shall ensure that all control accounts and subsidiary records are reconciled on a monthly basis.

27. Changes to processed information in the financial management system

All changes to processed information in the financial management system shall be done through properly authorised journal forms.

28. Surpluses and Deficits

The overall surplus or deficit shall be retained and carried over to the following year. Council shall deal with the surpluses and deficits once the Chief Financial Officer has submitted a report and recommendations in this regard.

Any surpluses or deficits arising from the electricity and water services are transferred to Rates and General Services. No Council policy exists to define the maximum surplus that may be transferred from any trading service.

BAVIAANS MUNICIPALITY**BALANCE SHEET AS AT 30 JUNE 2008**

	Notes	2008	2007
		R	R
<u>Capital Employed</u>			
Funds and Reserves		5 139 332	4 093 973
Statutory Funds	1	4 787 717	3 496 577
Reserves	2	351 615	597 396
(Accumulated deficit)/ Retained Income	19	1 348 696	-2 155 477
		6 488 028	1 938 496
Trust Funds	3	-	13 424 246
Long term liabilities	4	53 106	173 576
Consumer Deposits	6	111 795	106 662
		6 652 930	15 642 980
<u>Employment of Capital</u>			
Fixed Assets	7	216 963	337 435
<u>Net current assets/(liabilities)</u>		6 435 967	15 305 545
<u>Current Assets</u>		38 039 287	17 043 431
Inventory	9	-	-
Debtors	10	3 748 849	5 730 269
Bank and Cash	5	1 491 700	2 682 283
Short-term investments	11	32 798 738	8 630 879
<u>Current liabilities</u>		31 603 320	1 737 886
Provisions	13	360 000	357 500
Creditors	14	1 983 615	1 216 527
Unspent conditional grants	3	29 095 846	
Short-term portion of long-term liabilities	4	163 859	163 859
		6 652 930	15 642 980

J.Z.A. VUMAZONKE
MUNICIPAL MANAGER

JOHANN DOYLE
CHIEF FINANCIAL OFFICER

BAVIAANS MUNICIPALITY

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

Actual	Actual	Actual
Income	Expenditure	Surplus/(Deficit)
2007	2007	2007
R	R	R

8 297 052	8 206 310	90 742	Rates and General Services
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7 018 788	6 631 283	387 505	Community Services
42 127	332 781	-290 654	Subsidised Services
1 236 137	1 242 246	-6 109	Economic Services

4 885 511	4 192 139	693 372	Trading Services
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1 303 330	1 122 281	181 049	Water
3 582 181	3 069 858	512 323	Electricity

13 182 563	12 398 449	784 114	TOTAL
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-96 279 Appropriations for the year (refer note 19)

687 835 Nett surplus/(deficit) for the year

-2 843 310 Accumulated surplus/(deficit) at the beginning of the year

-2 155 475 Accumulated surplus/(deficit) at the end of the year

Actual	Actual	Actual	Budgeted
Income	Expenditure	Surplus/(Deficit)	Surplus/(deficit)
2008	2008	2008	2008

16 175 416	12 422 566	3 752 850	-749 151
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14 844 424	10 901 350	3 943 074	-416 831
76 679	551 810	-475 131	-569 928
1 254 313	969 406	284 907	237 608

6 380 048	4 151 999	2 228 049	798 954
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1 855 905	1 206 571	649 334	-59 132
4 524 143	2 945 428	1 578 715	858 086

22 555 464	16 574 564	5 980 900	49 803
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-2 476 730

3 504 170

-2 155 475

1 348 695

BAVIAANS MUNICIPALITY**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008**

	NOTES	2008	2007
<u>Cash retained from operating activities</u>		36 578 242	24 305 117
Cash generated by operations	20	-15 124 209	-5 902 287
Investment income	18	204 360	129 542
(Increase)/decrease in working capital	21	2 753 641	-3 383 000
Less: External interest paid	18	52 011	-
Cash available from operations		-12 114 197	-9 155 745
Cash contributions from public and the State		48 692 439	33 459 362
Nett proceeds on disposal of fixed assets			1 500
Cash utilised in investing activities			
Investment in fixed assets	7	-13 480 497	-17 788 419
Net cash flow		23 097 745	6 516 698
<u>Cash effects of Financing activities</u>			
Increase/(decrease) in long-term loans	22	-120 469	-106 021
(Increase)/decrease in cash investments	23	-24 167 859	-6 314 910
(Increase)/decrease in cash	24	1 190 583	-95 767
		-23 097 745	-6 516 698

BAVIAANS MUNICIPALITY**NOTES TO THE 2007/2008 FINANCIAL STATEMENTS**

Note
Number

2008	2007
R	R

1 Statutory Funds

4 787 718	3 496 577
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Capital Development Fund
Revolving Fund
Dog Tax Fund
Housing Development Fund

9 342	9 342
4 112 178	2 821 038
134 246	134 246
531 951	531 951

(Refer to Appendix A for further details)

2 Reserves

351 615	597 396
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Leave Reserve

351 615	597 396
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(Refer to Appendix A for further details)

3 Unspent Conditional Grants and Receipts

29 095 847	13 424 246
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MSP Projects
Municipal Infrastructure Grants
Project Consolidate
Spatial Development Framework
Land Sales
Housing Project 460
LED Paper project (Steytlerville)
Electricity donation fund
FMG Grant
HIV Luanch
Willowmore Housing Repairs (Cacadu)
Drought Relief fund
CMIP Steytleville sewerage project
CMIP Steytleville reservoir
Steytlerville Housing Project
Steytlerville Sewer treatment works
Property Valuation
PMS/IDP

-	-27 566
22 394 562	5 738 929
288 927	834 273
95 637	73 192
-	1 500
66 512	97 032
710 193	716 890
-	8 325
362 048	664 445
-	9 429
-	21 087
177 969	392 104
-	156 425
-	-12 105
-	4 700 286
-	-
5 000 000	
-	50 000

(Refer to Appendix A for further details)

4 Long-term Liabilities

53 106	173 576
--------	---------

Long term loans
Less: Short term portion

216 965	337 435
163 859	163 859

(Refer to Appendix B for further details)

These loans bear interest at a rate that vary between 11.00% and 18.75% and are repaid in bi-annual instalments.
Loans in respect of vehicles are repaid in monthly instalments.

5 Bank and Cash

1 491 700 2 682 284

Baviaans General Account (ABSA and Standard Bank)
 Standard Bank
 Vuyolwethu Housing Account (ABSA Bank)

1 424 435	583 724
7 744	
59 521	2 098 560

ABSA Bank (Primary Bank Account) account
 number 4053623514
 Standard Bank account number 280252013
 AbSA Bank (Vuyolwethu Housing Account)
 account number 4061808429.

6 Consumer Deposits

111 795 106 662

Water and Electricity

111 795	106 662
---------	---------

7 Fixed Assets**Fixed assets at the beginning of the year**

62 612 936 43 511 319

Capital Expenditure during the year

13 480 497 19 101 618

Less: Assets written off, transferred or disposed of
during the year**Total fixed assets**

76 093 433 62 612 937

Less: Loans redeemed and other capital receipts

75 876 470 62 275 502

Nett fixed assets

216 963 337 435

8 Long-term Debtors

- -

Housing loans

- -

Less: Provision for bad debts

- -

9 Inventory

- -

Inventory represents only fuel

- -

10 Debtors

3 748 849 5 730 269

2 618 353 1 589 740

Consumer debtors

5 111 152 8 850 939

Less: Provision for bad debts

2 492 799 7 261 199

Other debtors

1 130 496 4 140 529

Sundry debtors

270 156 1 249 385

Electricity 373 Houses

581 155

Cacadu claims

576 725

Suspence account

32 125

VAT - Nett SARS claims at year end

- 1 680 227

IEC

7 420

Nursery Electricity

78 110

Christmast Lights

45 063

IGA to be received from Bisho

400 000

Salary advances - Steytlerville

168 267

Pre-paid sales - outstanding deposit (Lucky 7)

30 363 33 800

Umsobomvu Youth Fund

118 230 -

10.1 Age analysis per service**Less than 90 days****Over 90 days****Total****R****R****R**

Water

374 788.71

1492388.91

1 867 177.62

Electricity

214 052.04

381893.83

595 945.87

Sewerage

93 712.89

691530.2

785 243.09

Refuse

134 700.20

1078660.61

1 213 360.81

Rates

96 816.71

741706.92

838 523.63

Other

212 115.07

61663.91

273 778.98

Total

1 126 185.62

4 447 844.38

5 574 030.00

10.2 Age analysis per category

Provincial Departments	155 493.57	21 096.30	176 589.87
Industrial/Business	56 554.44	83 810.66	140 365.10
National Departments	11 847.44	-0.13	11 847.31
Residents	902 290.17	4 342 937.55	5 245 227.72
Total	1 126 185.62	4 447 844.38	5 574 030.00

11 Short term investments

32 798 738	8 630 859
-------------------	------------------

Unlisted

ABSA Bank

Standard Bank

32 098 122	7 921 191
700 616	709 668

Market value of unlisted investments

32 798 738 8 630 879

Average rate of return on investments

11.00% 7.90%

Investments consist of saving accounts and 32 day notice deposits.

No investments were pledged as security for any funding activities of the Council

No investments have been written off. An investment account of R 7 744 was closed by Standard Bank and transferred to their unclaimed funds account. A claim has been submitted for a refund and is included in debtors.

12 Deferred charges

There are no deferred charges

13 Provisions

360 000	357 500
----------------	----------------

Audit Fees 2004/2005

Audit Fees 2005/2006

Audit Fees 2008/2009

	157 500
	200 000
360 000	

14 Creditors

1 983 615	1 216 525
------------------	------------------

Trade Creditors

Motor vehicle registration fees

Auditor-General

Gaurantee Electrcity project

Deposit - Hire of halls

VAT - Nett position

Suspense account

Other creditors

811 399	362 893
-	338 798
	-
	62 434
3 813	-
1 168 403	
	155 499
-	296 901

15 Assessment rates

1 334 434	922 811
------------------	----------------

All properties

1 334 434	922 811
-----------	---------

Valuations

Residential

Commercial / Industrial

State / other

Total

R	R
Refer to Appendix F	

The above valuations came into effect on 1 July 2000

A project to revalue all property in terms of the Property Rates Act has been implemented - new valuations should be available for 1 July 2009.

The general rate applied for 2007/8 is reflected in Appendix F.

16A Councillor's Remuneration

	753 780	705 688
Mayor / Speaker	208 068	
Salary	140 184	
Transport allowance	46 728	
Medical allowance	12 168	
Cellphone	8 988	
Benefits in kind		
Councillor's allowances	545 712	705 688
Salary	382 320	
Transport allowance	127 440	
Medical allowance		
Cellphone	35 952	
Benefits in kind		

16 B Details of arrears as at 30 June 2008 owing by individual Councillors.

Councillor ABX	
More than 90 days	Nil
Total	

17 Audit Fees

	749 934	281 728
Current year	749 934	-
Prior year		281 728

18 Finance Transactions

	204 360	129 542
Total external interest earned or paid		
Interest earned	204 360	129 542
Interest paid	-	-
Capital charges debited to operating account		
Interest:	52 011	91 688
External	52 011	91 688
Internal		
Redemption:	75 656	115 411
External	75 656	115 411
Internal		

19 Appropriations

Appropriation Account:		
Accumulated deficit at the beginning of the year	-2 155 477	-2 843 310
Operating (deficit)/surplus for the year	5 980 900	784 112
Appropriation for the year	-2 476 729	-96 279
Proir year various adjustments	-1 896	-
Wrong allocation See note 37	-22 325	
Expenditure 2005/2006 See note 37	-428 430	
Expenditure 2005/2006 See note 37	-677 341	
Expenditure 2006/2007 See note 37	791 323	
Electrification 373 Houses See note 37	62 434	
Unknown deposits See note 37	8 564	-
Clearing suspense account See note 37	752 333	
IOT Money wrongly raised See note 37	-400 009	
MIG Funds wrongly allocated See note 37	-400 400	
Correction of Housing account See note 37	-2 422 896	
Motor Vehicle Registration See note 37	338 798	
Provision Audit Fees	-360 000	
Investments	-205 250	
Leave Reserve	208 059	
Bank	280 305	

Audit Cost 02/03		-22 656
Audit Cost 02/03 & 03/04		-35 181
Audit Cost 02/03 & 03/04		-84 474
VAT Sanitation truck		46 032

Accumulated deficit at the end of the year	1 348 694	-2 155 477
---	------------------	-------------------

Operating account:	71 286	74 565
Capital expenditure	71 286	74 565

Contributions to:	492 410	561 672
Revolving Fund	120 160	100 134
Leave Reserve	52 250	50 000
Provision for Bad Debts	320 000	411 538

20 Cash generated by operations

(Deficit)/Surplus for the year	5 980 900	784 112
Adjustments in respect of:		
Previous year's operating transactions	-2 476 730	-96 279

Appropriations charged against income	603 696	808 562
Revolving fund	120 160	100 134
Provisions	412 250	50 000
Fixed assets	71 286	658 428
Interest to internal funds		-

Less: Operating contributions from Central and Provincial Government	-12 498 028	-5 534 205
--	-------------	------------

Capital Charges	127 667	207 099
-----------------	---------	---------

Interest paid:		
to internal funds		
on external funds	52 011	91 688
Redemption:		
of internal advances		
of external loans	75 656	115 411

Investment income (operating account)	-204 360	-129 542
Non-operating income:		
Net income from provisions and reserves	-120 469	-101 078
Non - Operating expenditure	-357 500	
Expenditure charged against provisions and Reserves	-6 179 385	-1 840 958
	-15 124 209	-5 902 289

21 (Increase)/decrease in working capital	2 753 641	-3 383 000
--	------------------	-------------------

(Increase)/decrease in inventory	-	20 885
(Increase)/decrease in debtors, long-term debtors	1 981 420	-3 219 081
Increase/(decrease) in creditors, consumers' deposits	772 221	-184 804
Less: Outstanding grant for Steytleville Library		-

22 Increase/(decrease) in long-term loans (external)	-120 469	-106 021
---	-----------------	-----------------

Loans raised	216 965	337 435
Loans repaid	337 434	443 456

23 (Increase)/decrease in external cash investments	-24 167 859	-6 314 910
Investments realised	8 630 879	2 315 969
Investments made	32 798 738	8 630 879
24 (Increase)/decrease in cash on hand	1 190 583	-95 767
Cash balance at the beginning of the year	2 682 283	2 586 516
Less: Cash balance at the end of the year	1 491 700	2 682 283 *
25 Retirement benefits		
The municipality contributes to three retirement funds. Employees of the former Willowmore Municipality are members of the Cape Joint pension fund and the SAMWU Provident fund. Employees of the former Steytlerville Municipality are members of the SALA pension fund. Refer also accounting policy no.14.		
26 Revolving Fund		
Oustanding advances to borrowing services		
Accumulated fund		
Less: Internal investment in the Rates and General Account	4 112 178	2 821 038
External investments	-4 112 178	-2 821 038
	-	-
27 Government Grants and susidies	39 585 151	
Grants received:		
National:Equitable share	5 905 207	
Department of Transport	-	
Finance Management Grant	500 000	
Extra-ordinary allocation (R5m)	5 000 000	
MIG	21 607 253	
Provincial PHB subsidies/housing funds	-	
Health subsidies	572 691	
Libraries	-	
Other	-	
District Municipality (Sportfields Steytlerville LED projects	1 000 000	
R5m to implement Municipal Property Rating Act	5 000 000	
Grants Spent / transferred to income:		
Changes to liabilities / balance unspent:		
Grants made:	Nil	
Grants due in terms of Division of Revenue Act - payment delayed:		
Drought Relief Fund	1 500 000	
28 Senior Management remuneration		
Municipal Manager Z Mvandaba to 31.12.2007	199 527	
Annual remuneration	142 999	
Performance bonus		
Vehicle allowance	55 328	
Other	1 200	

Municipal Manager JZA Vumazonke 1.6.2008 to 30.6.2008	30 367
Annual remuneration	24 167
Performance bonus	
Vehicle allowance	5 000
Other	1 200
Chief Financial Officer JH Doyle	255 760
Annual remuneration	148 216
Performance bonus	
Vehicle allowance	102 144
Other	5 400
Corporate Services Manager: M Lötter	249 689
Annual remuneration	172 823
Performance bonus	
Vehicle allowance	69 592
Other	7 274
Technical Services Manager: B Arends	275 509
Annual remuneration	191 728
Performance bonus	
Vehicle allowance	78 381
Other	5 400

29 Municipal entities

This Municipality does not have any entities under its sole or shared control.

30 Contributions to organised local government

Contributions made: 25 894

Contributions outstanding: nil

31 Taxation and other disclosable expenditure	773 320
31.1 Taxes paid:	
Levies	nil
VAT	nil
PAYE	641 795
SDL	42 657
UIF	88 869
Taxes unpaid at year end:	nil

31.2 Pension and Medical Aid contributions 818 254

Current year contributions Medical Aid 271 260
Current year contributions Pension 546 994

32 Details of current bank accounts (investments excluded)

Standard Bank: Steytleville - cheque
Opening balance 434 227
Year-end balance 180 480

ABSA: Willowmore - cheque	
Opening balance	644 859
Year-end balance	1 507 619

ABSA: Vuyolwetha Housing Account	
Opening balance	1 982 848
Year-end balance	60 445

33 Particulars of any non-compliance with the Municipal finance Management Act None recorded

34 Capital Commitments

Expenditure approved and contracted:

Expenditure approved but not contracted:

35 Contingent Liabilities

36 Unauthorised, Irregular, Fruitless and wasteful expenditure

36.1 Material Unauthorised expenditure:	None recorded
36.2 Material Irregular expenditure:	None recorded
36.3 Material Fruitless and wasteful	None recorded
36.4 Any material losses	None recorded
36.5 Disciplinary and criminal proceedings	None recorded

37 Movement in Appropriation Account
-2 476 729

Prior year various adjustments	-1 896
An amount of R 22 324.63 was for water research in 2007/2008 which was for the book year 2006/2007 Journal Nr. 51/07/08	-22 325
Correction of creditors paid in 2007/2008 which were creditors during 2006/2007. Journal Nr. 78/07/08	-428 430
This is expenditure made during July 2007 which was for June 2007. Journal Nr. 79/07/08	-677 341
Correction of creditors of the 2006/2007 book year. Journal Nr. 80/07/08	791 323
Electrification of 373 houses - the first 150 Houses. According to Manager Technical all monies have been paid to Benkro. Journal 81/07/08	62 434
 This is a correction of unknown deposits of R 99 064.12. R 90 500 was for the Pigs and Poultry project that was corrected. The other R 8 564.12 can not be traced. Journal Nr. 82/07/08	 8 564
This was the posting of orders. It was stopped by the Accountant and she never put the journal through. The expenditure was posted from the payment vouchers to the correct vote numbers. Journal Nr. 84/07/08	752 333
During Willowmore Municipality a debtor was raised for R 400 000. The municipality said that National Government owed them R 400 000 of the equitable share. The correction was made because the government did not owed this money to the municipality	-400 009
When payment was made to the Department of Transport a wrong vote number was used. This is the correction. Journal Nr. 97/07/08	-400 400
Correction of housing account Steytleville Journal Nr. 105/07/08	-2 422 896
 The municipality paid the Department of Transport R 400 000 re motor registration fees not paid over. Journal Nr. 106/07/08	 338 798
Provision for Audit Fees	-360 000
Correction of Investments	-205 250
Correction of Leave Reserve	208 059
Correction of Bank Balance	280 305

BAVIAANS MUNICIPALITY

APPENDIX A

STATUTORY FUNDS, RESERVES AND TRUST FUNDS

	Balance at 30/06/2007 R	Contributions during the year R	Interest on investments R	Other income R	Operating expenditure during the year R	Capital expenditure during the year R	Balance at 30/06/2008 R
Statutory Funds							
Capital Development Fund	9 342						9 342
Revolving Fund	2 821 038	120 160		1 201 076	30 096		4 112 178
Dog Tax	134 246						134 246
Housing Development Fund	531 951						531 951
Sub Total	3 496 577	120 160	-	1 201 076	30 096	-	4 787 717
Reserves							
Leave Reserve	597 396	52 250	-		298 030		351 616
							-
							-
Sub Total	597 396	52 250	-	-	298 030	-	351 616
Unspent conditional grants and receipts							
MSP Projects	-27 566			27 566			-
Municipal Infrastructure Grant	5 738 929			23 098 780		6 443 147	22 394 562
Project Consolidate	834 273				545 346		288 927
Spatial Development Framework	73 192			63 983	41 538		95 637
Land Sales	1 500				1 500		-
Housing Project 460	97 032					30 520	66 512
LED Paper project Steytlerville	716 890				6 698		710 192
Electricity donations fund	8 325				8 325		-
FMG Grant	664 445				302 397		362 048
HIV Launch	9 429				9 429		-0
Willowmore Housing Repars (Cacadu)	21 087			2 150	23 237		-0
Drought Relief	392 104				214 136		177 968
CMIP - Steytlerville sewer project	156 425				156 425		-0
CMIP - Steytlerville sewer reservoir	-12 105			12 105			0
Steytlerville Housing project	4 700 286				4 700 286		0
Property Valuation	-			5 000 000			5 000 000
PMS/IDP	50 000				50 000		-
Sub Total	13 424 246	-	-	28 204 584	6 059 317	6 473 667	29 095 846
TOTAL FUNDS	17 518 219	172 410	-	29 405 661	6 387 443	6 473 667	34 235 179

BAVIAANS MUNICIPALITY

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

		Balance at 30/06/2007	Received during the year	Redeemed or written off during the year	Balance at 30/06/2008
	R				
<u>External loans</u>	Redeemable				
Issued					
Development Bank of South Africa:					
1990 - R 35 000 @ 16.52%	2007	2 833	-	2 833	-
1990 - R 52 000 @ 13.75%	2007	3 681	-	3 681	-
Sub Total		6 514	-	6 514	-
ABSA Bank					
2002 - R 341 695 @ 14.87%	2007	17 633	4	17 637	-
2005 - R 376 585 @ 11.00%	2010	313 287	6 708	103 030	216 965
Sub Total		330 920	6 712	120 667	216 965
TOTAL		337 434	6 712	127 181	216 965

BAVIAANS MUNICIPALITY

**APPENDIX C
ANALYSIS OF FIXED ASSETS**

Expenditure 2007		Budget 2008	Balance at 30/06/2007	Expenditure during the year	Written off, transferred or disposed	Balance at 30/06/2008
R		R	R	R	R	R
	Rates and General Services	4 907 000	14 832 279	2 627 774	-	17 460 053
243 105	Community Services	250 000	5 445 356	197 489	-	5 642 845
152 668	Administration	250 000	972 240	197 489		1 169 729
81 290	Public Works		2 366 615	-		2 366 615
	Swimming Pool		54 110			54 110
	Civil Defence		1 304			1 304
	Traffic Services		221 976			221 976
	Television relay station		98 545			98 545
9 147	Council General Expenses		1 566 036	-		1 566 036
	Health Services		164 530			164 530
367 513	Subsidised Services	500 000	2 004 147	22 000	-	2 026 147
	Fire Protection		16 625			16 625
367 513	Civil Buildings	500 000	862 175	22 000		884 175
	Sport Complex		550 351			550 351
	Parks & Recreation		318 017			318 017
	Cemetery		61 687			61 687
	Properties		195 292			195 292
4 591 536	Economic Services	4 157 000	7 382 776	2 408 285	-	9 791 061
4 591 536	Sanitation	4 157 000	7 382 776	2 408 285		9 791 061
9 572 913	Housing Services	-	16 878 777	4 970 093	-	21 848 870
9 572 913	Housing Schemes	-	16 878 777	4 970 093		21 848 870
4 326 550	Trading Services	10 935 950	30 901 880	5 882 630	-	36 784 510
1 012 511	Electricity	3 065 950	7 459 076	2 650 949		10 110 025
3 314 039	Water	7 870 000	23 441 998	3 231 681		26 673 679
	Abattoir		806			806
19 101 617	TOTAL	15 842 950	62 612 936	13 480 497	-	76 093 433
	Less: Loans redeemed and other capital receipts		62 275 502	13 600 968	-	75 876 470
	Loans redeemed and advances repaid		4 087 297	120 470	-	4 207 767
	Contributions from operating income		2 157 868	48 854		2 206 722
	Grants		56 030 337	13 431 644		69 461 981

NET FIXED ASSETS	337 434	-120 471	-	216 963
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BAVIAANS MUNICIPALITY**APPENDIX D****ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2008**

Actual 2007 R		Actual 2008 R	Budget 2008 R
Income			
5 534 205	Government - Grants and Subsidies	12 498 028	8 184 265
7 648 358	Operating Income	10 057 437	8 217 469
922 811	Assessment Rates	1 334 434	1 159 147
3 582 181	Sale of Electricity	4 524 143	3 751 730
1 303 330	Sale of Water	1 855 905	1 100 000
1 236 137	Sanitation and refuse services	1 254 313	971 184
603 899	Other Services	1 088 642	1 235 408
13 182 563	TOTAL INCOME	22 555 466	16 401 734
Expenditure			
5 406 336	Salaries, wages and allowances	7 303 208	7 796 856
5 550 370	General Expenditure	7 219 632	6 936 505
1 680 033	Purchase of Electricity	2 041 086	2 045 833
3 870 337	Other	5 178 546	4 890 672
858 380	Repairs and Maintenance	1 651 642	1 345 153
207 099	Capital Charges	127 667	158 566
74 565	Contribution to fixed assets	71 286	73 579
561 672	Contribution to funds	492 410	492 410
-259 973	Less: Charged out	-291 282	-441 241
12 398 449	TOTAL EXPENDITURE	16 574 563	16 361 828

BAVIAANS MUNICIPALITY

APPENDIX E

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

Actual				Actual			
Actual Income	Expenditure	Surplus/(deficit)		Actual	Expenditure	Surplus/(deficit)	Budget
2007	2007	2007		Income 2008	2008	2008	Surplus/(deficit) 2008
R	R	R					
8 297 052	8 206 310	90 742	Rates and General Services	16 175 416	12 422 566	3 752 850	-749 151
7 018 789	6 631 283	387 506	Community Services	14 844 424	10 901 350	3 943 074	-416 831
922 811	100 134	822 677	Assessment Rates	1 334 434	120 160	1 214 274	1 004 494
16 367	1 943 834	-1 927 467	Administration	18 801	2 234 036	-2 215 235	-2 392 916
4 952 020	1 759 340	3 192 680	Finance	12 053 151	3 988 012	8 065 139	3 962 939
342 122	505 456	-163 334	Health Services	572 691	577 457	-4 766	
418 032	831 862	-413 830	Council General Expenses	-	1 119 511	-1 119 511	-1 126 835
-	1 480 087	-1 480 087	Public Works	527 070	2 762 418	-2 235 348	-2 128 050
367 437	10 570	356 867	Traffic Services	338 277	99 756	238 521	263 537
42 126	332 781	-290 655	Subsidised Services	76 679	551 810	-475 131	-569 928
39 291	54 459	-15 168	Civic Buildings	68 784	249 201	-180 417	-159 312
	21 885	-21 885	Parks & Recreation		23 399	-23 399	-24 267
2 815	46 950	-44 135	Cemetery	7 895	48 749	-40 854	-36 556
20	209 487	-209 467	Library	-	230 461	-230 461	-349 793
1 236 137	1 242 246	-6 109	Economic Services	1 254 313	969 406	284 907	237 608
1 236 137	1 242 246	-6 109	Sanitation	1 254 313	969 406	284 907	237 608
4 885 511	4 192 139	693 372	Trading Services	6 380 048	4 151 999	2 228 049	798 774
3 582 181	3 069 858	512 323	Electricity	4 524 143	2 945 428	1 578 715	858 086
1 303 330	1 122 281	181 049	Water	1 855 905	1 206 571	649 334	-59 312
13 182 563	12 398 449	784 114	TOTAL	22 555 464	16 574 564	5 980 900	49 623
		-96 279	Appropriations for the year (refer to note 19)			-2 476 730	
		687 835	Nett surplus/(deficit) for the year	22 555 464	16 574 564	3 504 170	49 623
		-2 843 310	Accumulated deficit at the beginning of the year			-2 155 475	
-	-	-2 155 475	Accumulated surplus at the end of the year	22 555 464	16 574 564	1 348 695	49 623

BAVIAANS MUNICIPALITY**APPENDIX F
STATISTICAL INFORMATION**

		2008	2007	2006	2005	2004
General statistics						
Population		16 805	16 805	15 336	15 336	10 026
Registered Voters		7 802	7 802	7 802	7 802	7 734
Valuation of taxable property						
Land	Rand	2 244 820	2 244 820	2 244 820	2 244 820	2 244 820
Improvements	Rand	80 789 301	80 789 301	80 789 301	80 789 301	80 789 301
Valuation of non taxable property						
Land	Rand	2 191 170	2 191 170	2 191 170	2 191 170	2 191 170
Improvements	Rand	8 527 900	8 527 900	8 527 900	8 527 900	8 527 900
Assessment rates						
Willowmore Residential	Rand	0.01128	0.01025	0.00932	0.00847	0.0077
Willowmore Commercial	Rand	0.01499	0.01363	0.01217	0.01059	0.00963
Steytlerville Residential	Rand	0.01128	0.01025	0.00932	0.00847	0.0077
Steytlerville Commercial	Rand	0.01499	0.01363	0.01217	0.01059	0.00963
Number of plots		3854	3854	3854	3851	3544
Number of employees		81	81	63	67	76
Electricity Statistics						
Units bought	Kwh	9 232 715	8 403 939	8 074 219	8 520 263	7 833 602
Units sold	Kwh	6 771 365	6 225 779	6 443 848	6 012 625	5 843 167
Units lost in distribution	Kwh	2 461 350	2 178 160	1 630 371	2 507 638	1 990 435
Units lost as a percentage	Perc	26.66%	25.92%	20.19%	29.43%	25.41%
Cost per unit sold	Rand	0.44	0.57	R 0.42	R 0.45	R 0.47
Water Statistics						
Units purified	Kl	472 176	421 057	429 280	531 260	398 687
Units sold	Kl	398 115	331 119.0	362 962	442 717	332 239
Units lost in distribution	Kl	74 061	89 938.0	66 318	88 543	66 448
Units lost as a percentage	Perc	15.68%	21.36%	15.45%	16.67%	16.67%
Cost per unit sold	Rand	3.65	3.65	R 3.65	R 2.35	R 3.31

			<u>BAVIAANS MUNICIPALITY</u>				
			<u>Fixed Asset Register</u>				
Vote Number	Department	Balance at 30 June 2007 R	Additions/Diescriptions	Date	Reference Number	Additional Amount R	Balance at 30 June 2008 R
403000010	Administration	972 240.14	Aircons			16 000.00	
			Laptops and Satelites			132 634.10	
			Furniture and Equipment Jnl. 77/07/08			48 854.41	
	SUB TOTAL					197 488.51	1 169 728.65
403000020	Public Works	2 366 617.29					2 366 617.29
403000030	Swimming Pool	54 110.00					54 110.00
403000040	Civil Defence	1 304.00					1 304.00
403000050	Traffic	221 976.39					221 976.39
403000060	TV Relay Station	98 545.00					98 545.00
403000070	Council General Expenses	1 566 036.36					1 566 036.36
403000080	Fire Brigade	16 625.00					16 625.00
403000090	Municipal Buildings	862 175.07	Cubboards			12 000.00	
			Aircons			10 000.00	
	SUB TOTAL					22 000.00	884 175.07
403000100	Sport Flies	550 350.89					550 350.89
403000110	Health	164 530.25					164 530.25
403000120	Parks and recreation	318 017.00					318 017.00
403000130	Cemetries	61 687.00					61 687.00
403000140	Properties	195 292.00					195 292.00

Vote Number	Department	Balance at 30 June 2007 R	Additions/Diescriptions	Date	Reference Number	Additional Amount R	Balance at 30 June 2008 R
403000150	Sanitation	7 382 775.48	Bucket Eraducation	18.07.2007	1 502	818 362.22	
			Bucket Eraducation	31.07.2007	1 590	30 630.50	
			Bucket Eraducation	31.07.2007	1 591	269 242.64	
			Bucket Eraducation	10.09.2007	1 732	24 109.79	
			Sewrage treatment	27.09.2007	1 803	42 865.19	
			Bucket Eraducation	27.09.2007	1 823	28 866.33	
			Bucket Eraducation	27.09.2007	1 825	190 273.23	
			Bucket Eraducation	31.10.2007	1 917	27 306.57	
			Bucket Eraducation	31.10.2007	1 920	509 742.54	
			Bucket Eraducation	09.11.2007	1 944	96 416.10	
			Bucket Eraducation	30.11.2007	2 043	43 418.74	
			Bucket Eraducation	30.11.2007	2 046	191 108.20	
			Bucket Eraducation	21.02.2008	2 294	52 281.63	
			Bucket Eraducation	25.02.2005	2 303	43 569.34	
			Bucket Eraducation	16.05.2008	2 636	40 091.95	
	SUB TOTAL					2 408 284.97	9 791 060.45
403000160	Housing	16 878 778.48	Steytlerville Housing Project			4 970 092.62	21 848 871.10
403000170	Electricity	7 459 075.46	Electrfication 373 Houses			2 603 772.00	
			Spoornet Electricity supply			47 176.51	
	SUB TOTAL					2 650 948.51	10 110 023.97
403000180	Water	23 441 997.81	Reservior & Water mains	23.07.2007	1 535	285 872.58	
			Erasmuskloof	24.07.2007	1 537	74 464.71	
			Drilling of boreholes	27.07.2007	1 581	37 862.82	
			Reservior & Water mains	31.07.2007	1 588	13 392.94	
			Wanhoop water scheme	31.07.2007	1 589	109 684.36	
			Wastewater treatment	07.08.2007	1 617	61 351.59	
			Wastewater treatment	07.08.2007	1 618	43 018.47	
			Drilling of boreholes	27.09.2007	1 815	127 874.00	
			Reservior & Water mains	27.09.2007	1 819	97 125.65	
			Reservior & Water mains	27.09.2007	1 822	24 368.38	
			Erasmuskloof	27.09.2007	1 824	26 674.80	
			Drilling of boreholes	05.10.2007	1 834	23 477.50	

Vote Number	Department	Balance at 30 June 2007 R	Additions/Diescriptions	Date	Reference Number	Additional Amount R	Balance at 30 June 2008 R
			Reservior & Water mains	11.10.2007	1 846	244 272.71	
			Erasmuskloof	31.10.2007	1 915	23 029.50	
			Reservior & Water mains	31.10.2007	1 916	30 317.70	
			Wanhoop water scheme	31.10.2007	1 918	31 094.03	
			Reservior & Water mains	31.10.2007	1 919	11 638.99	
			Bulk water supply	31.10.2007	1 921	145 633.76	
			Reservior & Water mains	19.11.2007	1 977	13 895.08	
			Erasmuskloof	30.11.2007	2 041	102 862.63	
			Reservior & Water mains	30.11.2007	2 042	12 496.41	
			Zaaymanshoek	30.11.2007	2 044	61 066.14	
			Erasmuskloof	03.12.2007	2 051	925 761.40	
			Zaaymanshoek	21.12.2007	2 135	18 580.00	
			Bulk water supply	21.12.2007	2 136	146 391.80	
			Reservior & Water mains	25.02.2008	2 302	15 421.14	
			Wastewater treatment	18.03.2008	2 402	40 440.52	
			Reservior & Water mains	20.03.2008	2 411	97 303.50	
			Wastewater treatment	34.04.2008	2 580	26 435.65	
			Reservior & Water mains	30.04.2008	2 581	20 271.95	
			Wanhoop water scheme	21.05.2008	2 644	216 332.42	
			Dry Freezer	16.11.2007	1 964	42 522.00	
			Water flow meters	03.04.2008	2 484	80 749.00	
	SUB TOTAL					3 231 684.13	26 673 681.94
403000190	Abattoir	805.55					805.55
	Total Assets	62 612 939.17					76 093 437.91